loans to avoid NPAs" appeared in the Indian Express dated 20th August, 2001. Steel industry is going through a difficult phase for various reasons such as non-materialisation of the projected demand, the glut in the international market and depreciation in the value of certain currencies. While the domestic steel prices slumped, various input costs continued to escalate. The problems were compounded by subdued capital market conditions due to which the companies were not able to mobilize the envisaged funds by way of equity and achieve financial closure. It was in this backdrop, the restructuring package has been considered for the large size steel projects by the Financial Institutions. However in accordance with the practices and usages customary amongst the banks and in conformity with provisions of statutes governing the financial institutions as also the provisions of the Public Financial Institutions (Obligations as to Fidelity and Secrecy) Act, 1983, the information in respect of the constituents of the Public Financial Institutions cannot be divulged.

Disbursal of loan to earthquake affected persons

1012. SHRI R.P. GOENKA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a huge gap of some 60 crores between the loans sanctioned and those actually disbursed by the nationalised banks to the earthquake affected industrial and trading units and persons of Gujarat;

(b) if so, the reasons therefore; and

(c) the steps taken to narrow this gap to speed up the pace of rehabilitation work?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) According to the information furnished by Dena Bank, Convenor bank of the State Level Banker's Committee (SLBC) for the State of Gujarat, the gap between total sanctions and disbursements made by banks to earthquake affected industrial units in Gujarat amounted to Rs.40.95 crores. This was mainly on account of want of disbursement of subsidy by the State Government.

(c) With a view to narrow the gap between sanction and disbursement, a revised simplified procedure has been adopted and the branches have been advised to follow the new procedure & claim subsidy accordingly. State Government officials have also assured to instruct the District level authorities accordingly.

Rural Godown Scheme of NABARD

1013. SHRI C.P. THIRUNAVUKKARASU: Will the Minister of FINANCE be pleased to state:

(a) whether NABARD has introduced a 'Rural Godown'Scheme' to stop farmers from resorting to distress sale during harvset time;

(b) if so, the details thereof;

(;) whether any proposal from State Governments have been received by NABARD for setting up godown under the scheme; and

(d) if so, the action taken by NABARD in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Yes, Sir. National Bank for Agriculture and Rural Development (NABARD) has reported that it has prepared a model scheme for rural godown which is under finalisation.

(c) and (d) NABARD also provides loans to State Governments for construction of rural godowns from Rural Infrastructure